

STATE OF MINNESOTA PUBLIC UTILITIES COMMISSION

Date: May 12, 2014

To: MISO Quarterly Update list

From: Burl Haar July Haar

Subject: MISO Quarterly Update meeting

The Minnesota Public Utilities Commission has scheduled the MISO Utilities 2014 Second Quarterly Update Meeting for <u>Friday</u>, <u>June 6</u>, 2014 from 10:00 AM to Noon in the <u>Commission's Large Hearing Room</u>, Suite 350, 1217th Place East, St. Paul, MN. The Commission invites participation from Minnesota electric transmission utilities and other interested persons on the following topics:

1. Summer Readiness

- Are Minnesota utilities ready to serve peak load reliably for summer 2014?
- Perspectives on expected 2014 summer energy price compared to 2013 summer.
- What is the level of excess Installed Capacity (ICAP) for planning year 2014-2015?
- What is the level of load modifying resources (total and summer only) utilized to meet MISO reserve requirement for planning year 2014-2015?
- Are Minnesota utilities ready to serve peak load reliably for summer 2014 if MISO deployed load modifying resources for MISO footprint emergencies instead of Minnesota utilities' emergencies?

2. Management of Low Voltage Facilities in MISO

- Following the Arizona Southern California blackout of 2011: Finding #17 of the FERC/NERC investigation report identified the adverse impact of sub-100 KV facilities on the Bulk Electric System (BES) reliability. In response to this event, MISO began reviewing the need to identify lower voltage facilities (40 kV 100 kV) that would have the potential to cause significant risks to reliability of the BES. These can be substations, switching stations, transformers or transmission lines.
- MISO is implementing a methodology for analyzing sub-100 kV facilities and their impact on MISO's portion of BES. The findings will result in two categories of facilities: *monitored* facilities and *managed* facilities.

- How are Minnesota utilities going to participate in the sub-transmission study and what will be the level of involvement?
- Following the conclusion of the study, what changes and impact will this have on utilities day-to-day operations? What might be the financial impacts? Will utilities voluntarily transfer functional control of all "critical" facilities to MISO or just of some, i.e. only of *managed* elements but not of *monitored*? (This will result in additional facilities designated in Appendix H of the Transmission Owners Agreement as being under MISO's functional control.)
- Would changed functional control of lower voltage facilities by MISO have any impact on Minnesota utility regulations, such as certificate of need, route permitting, biennial transmission planning, and rate cases?

3. New TPL-001-4 in MTEP15 Update

- Effective with January 1, 2015, FERC approved new NERC TPL-001-4 Standard
 Transmission System Planning Performance Requirements, which affect
 Transmission Planners (TOs) and Planning Coordinators (such as RTOs).
- What impact would implementing the new standard have on Minnesota utility regulations, such as certificate of need, route permitting, biennial transmission planning, and rate cases?

We look forward to an opportunity to discuss these important issues. The meeting will begin at 10:00 AM and will be held in the Commission's Large Hearing Room on Friday, June 6, 2014.

Burl W. Haar Executive Secretary